

**FOREST HILL ASSOCIATION  
BOARD OF DIRECTORS MEETING  
January 9, 2017**

The meeting was called to order at 7:00 p.m. by Board President Mark Watts, and was adjourned at approximately 8:50 p.m.

**1. Notice:**

A copy of the meeting notice was sent on January 3, 2017 to each Director via email and posted in the kiosk outside the Clubhouse.

**2. Quorum:**

Quorum was met. FHA directors present Mark Watts, Eric Buonassisi, Barney Deasy, Dena Williams, R. Wallace Wertsch and Eileen Li. Not present was Barbara Damlos.

**Actions Taken:**

- A. The minutes of the Forest Hill Board of Directors' meeting held on November 14, 2016 were voted on and approved by all Directors present. Motion carried.
- B. The Inspector of Elections, Peter Schwarz was unanimously approved.

**3. Treasurer's Report:**

Through 3 quarters of our fiscal year (75%), revenue from assessments, bank interest and Clubhouse Rentals has reached \$273,134 or 62% of our annual expectation. Interest earned from late payment fees and CDs has reached \$3,510, 3% above budget. The Clubhouse loan balance is now **\$227,876**, the cash balance is **\$276,594 (pg6)**.

**Revenue:**

- 2017 assessment statements were mailed on November 29 and we have received \$126,983 in 2017 payments in December. This is \$18,000 ahead of 2016 payments at this time. Two late payments were added to their respective 2017 statements for these late payers. If they do not make a full payment including late fee by January 31<sup>st</sup>, we will record liens.
- Clubhouse Rental Revenues for December totaled \$7,406 for the month. Gross rental revenues for events scheduled for this fiscal year are at \$100,385, the forecast for the full year.

**Expenditures:**

- Payroll expense remains under budget by \$18,000 or 26% with working hours down that much below plan.
- Insurance is at 98% of the budget with no more invoices expected for the year. Our worker's comp payments have been increased with an unanticipated increase in the base rate. We are contesting the increase but paid the additional State Comp Insurance Fund invoices for \$2,060.
- Clubhouse utilities remain over budget by almost \$2,000 at 94% of budget with everything but electric and gas exceeding budget. Our Internet monthly expense has

increased from \$80 to \$125 as we switched from Comcast Residential to Comcast Business so we could get a more powerful router to increase our upload and download speeds in the office and Clubhouse assembly room. Speeds are significantly improved but we still need to run Ethernet cable from the office to the Clubhouse.

- Clubhouse maintenance expense is over budget by \$6,330 but may still complete the year within budget if the cleaning costs for the next 4 months drop with the number of rental events. Cleaning costs are running 27% over budget at \$11,273.
- Professional Services continue above budget by \$18,550 at 157% of the annual budget. Legal services will be over budget while the remainder of professional services will be under budget.
- Landscape, Office, and Community expenses are all well below budget at 57%, 23% and 23%, respectively.

With a fairly predictable 3 months left in our budget year, we are a little more than \$38,000 under budget. Unless Landscape or Legal expenses turn much higher than what we have seen this year, we are on a pace to realize a \$31,809 surplus of income over expenses for FY 2016.

The treasurer report was voted on unanimously approved.

4. **Kelley McCoy** from the SFMTA discussed the track & system improvements scheduled to start in April. There currently is no construction schedule but they will be shutting down the Forest Hill station for 1-2 weeks. The last time the tracks were replaced were in 1975.
5. **Inspector of Elections:** Peter Schwarz was approved to be the new IoE.
6. **Landscape:**
  - As of July 1, 2017, all median trees will be taken care of by the city. They should prune every 5 years. The winter pruning will start the end of January, beginning of February and they will prune 70 large pine & cypress trees.
  - Diane will invite Chris Buck from the Urban Forestry to the next meeting to discuss the replacement trees he would suggest for the San Marcos area.
7. **Communications:**

Newsletter will go out at the end of the month.
8. **Activities committee:**

Children's Holiday held on December 11<sup>th</sup> at 1pm.  
February 26<sup>th</sup> is the Lunar New Year Celebration  
Easter Egg Hunt is April 9<sup>th</sup>.

**9. Clubhouse Rental Update:**

- 88 total contracts for the 2016-17 year.
- 5 contracts on the books for calendar 2017-18 year. – All member rentals.
- 7 new contracts since the last board meeting.

**10. Architectural Review Committee:** No report

No further business discussed.

Respectfully submitted,  
Janette Najjar